6450-01-P

### **DEPARTMENT OF ENERGY**

Western Area Power Administration

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Colorado River Storage Project-Rate Order No. WAPA-161

**AGENCY:** Western Area Power Administration, DOE.

**ACTION:** Notice of Order Temporarily Extending Firm Power, Transmission, and Ancillary Services Rates.

**SUMMARY:** This action is to extend the existing Salt Lake City Area Integrated Projects

(SLCA/IP) Firm Power Rate and the Colorado River Storage Project (CRSP) Transmission and Ancillary Services Rates through September 30, 2015. The existing SLCA/IP Firm Power Rate and CRSP Transmission and Ancillary Services Rates are set to expire September 30, 2013. FOR FURTHER INFORMATION CONTACT: Ms. Lynn Jeka, CRSP Manager, CRSP Management Center, Western Area Power Administration, 150 East Social Hall Avenue, Suite 300, Salt Lake City, UT 84111-1580, (801) 524-6372, e-mail jeka@wapa.gov, or Mr. Rodney Bailey, Power Marketing Manager, CRSP Management Center, Western Area Power Administration, 150 East Social Hall Avenue, Suite 300, Salt Lake City, UT 84111-1580,

**SUPPLEMENTARY INFORMATION:** Rate Schedules SLIP-F9, SP-PTP7, SP-NW3, SP-NFT6, SP-SD3, SP-RS3, SP-EI3, SP-FR3, and SP-SSR3, contained in Rate Order No. WAPA-137, were approved by the Federal Energy Regulatory Commission (FERC) for a 5year period through September 30, 2013. Western Area Power Administration (Western) is

<sup>&</sup>lt;sup>1</sup> The rates in WAPA-137 were approved by the Federal Energy Regulatory Commission on a final basis on June 19, 2009, in Docket No. EF08-5171-000 (127 FERC ¶ 62,220).

proposing to temporarily extend the existing SLCA/IP Firm Power Rate and CRSP Transmission and Ancillary Services Rates under Rate Schedules SLIP-F9, SP-PTP7, SP-NW3, SP-NFT6, SP-SD3, SP-RS3, SP-EI3, SP-FR3, and SP-SSR3 pursuant to 10 CFR § 903.23(b). As required by the Grand Canyon Protection Act of 1992, the Bureau of Reclamation has been preparing a reallocation of the costs of the Glen Canyon Dam. The results of the reallocation were recently finalized, provided to Western, and will be implemented into the FY 2013 power repayment study. Due to uncertainties that the reallocation will have on the SLCA/IP Rate, Western is seeking a temporary extension of the existing rates to allow sufficient time for a new rate process to be completed and the new rates to be placed into effect. The existing rates collect sufficient annual revenue to recover annual expenses, including interest and capital requirements, thus ensuring repayment of the project within the cost recovery criteria set forth in DOE Order RA 6120.2.

By Delegation Order No. 00-037.00, effective December 6, 2001, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to the Administrator of Western; (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary of Energy; and (3) the authority to confirm, approve, and place into effect on a final basis, to remand, or to disapprove such rates to FERC.

Western did not have a consultation and comment period and did not hold public information and comment forums for this extension as permitted by 10 CFR §903.23(b).

I hereby approve Rate Order No. WAPA-161, which temporarily extends Rate Schedules SLIP-F9 for SLCA/IP Firm Power and SP-PTP7, SP-NW3, SP-NFT6, SP-SD3, SP-RS3, SP-EI3, SP-FR3, and SP-SSR3 for CRSP Transmission and Ancillary Services through September 30, 2015. Dated: September 6, 2013

Daniel B. Poneman Deputy Secretary

# DEPARTMENT OF ENERGY DEPUTY SECRETARY

In the Matter of:	)	
	)	
Western Area Power Administration	)	
Temporary Extension for	)	Rate Order No. WAPA-161
Salt Lake City Area Integrated Projects	)	
Firm Power Rates and	)	
Colorado River Storage Project	)	
Transmission and Ancillary Services Rates	)	

ORDER CONFIRMING AND APPROVING A TEMPORARY EXTENSION OF THE SALT LAKE CITY AREA INTEGRATED PROJECTS FIRM POWER RATE AND THE COLORADO RIVER STORAGE PROJECT TRANSMISSION AND ANCILLARY SERVICES RATES

Section 302(a) of the Department of Energy (DOE) Organization Act (42 U.S.C. 7152) transferred to and vested in the Secretary of Energy the power marketing functions of the Secretary of the Department of the Interior and the Bureau of Reclamation under the Reclamation Act of 1902 (ch. 1093, 32 Stat. 388), as amended and supplemented by subsequent laws, particularly section 9(c) of the Reclamation Project Act of 1939 (43 U.S.C. 485h(c)), and other Acts that specifically apply to the project systems involved.

By Delegation Order No. 00-037.00, effective December 6, 2001, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to the Administrator of the Western Area Power Administration (Western); (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary of Energy; and (3) the authority to confirm, approve, and place into effect on a final basis, to remand, or to disapprove such rates to the Federal Energy Regulatory Commission (FERC). This rate extension is issued pursuant to the Delegation Order and DOE rate extension procedures at 10 CFR § 903.23(b).

### **BACKGROUND**

Rate Schedules SLIP-F9, SP-PTP7, SP-NW3, SP-NFT6, SP-SD3, SP-RS3, SP-EI3, SP-FR3, and SP-SSR3, contained in Rate Order No. WAPA-137, were approved by the FERC for a 5-year period on October 1, 2008, through September 30, 2013. FERC issued its approval on June 19, 2009, in Docket No. EF08-5171-000 (127 FERC ¶ 62,220).

#### **DISCUSSION**

Western is extending the existing Salt Lake City Area Integrated Projects (SLCA/IP) Firm Power Rate and Colorado River Storage Project (CRSP) Transmission and Ancillary Services Rates until September 30, 2015, pursuant to 10 CFR §903.23(b). As required by the Grand Canyon Protection Act of 1992, the Bureau of Reclamation has been preparing a reallocation of the costs of the Glen Canyon Dam. The results of the reallocation were recently finalized, provided to Western, and will be implemented into the FY 2013 power repayment study. Due to uncertainties that the reallocation will have on the SLCA/IP rate, Western is seeking a temporary extension of the existing rates to allow sufficient time for a new rate process to be completed and the new rates to be placed into effect. The existing SLCA/IP Firm Power Rate and CRSP Transmission and Ancillary Services Rates collect revenues sufficient to recover annual expenses, including interest and capital requirements, thus ensuring repayment of the project costs under the cost recovery criteria set forth in DOE Order RA 6120.2. As permitted by 10 CFR §903.23(b), Western did not have an advanced notice and comment period and did not hold public information and comment forums on the extension of SLCA/IP Firm Power Rate and CRSP Transmission and Ancillary Services Rates.

# **ORDER**

In view of the above and under the authority delegated to me, I hereby extend, as permitted by 10 CFR §903.23(b), for a 2-year period, effective October 1, 2013, through September 30, 2015, the existing rate schedules SLIP-F9 for SLCA/IP Firm Power, and SP-PTP7, SP-NW3, SP-NFT6, SP-SD3, SP-RS3, SP-EI3, SP-FR3, and SP-SSR3 for CRSP Transmission and Ancillary Services.

Dated: September 6, 2013

Daniel B. Poneman Deputy Secretary

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